

REMARKS

After entry of the foregoing amendment, claims 18-22 and 24-27 remain pending in the application.

The assignee confirms the earlier election to prosecute the claims of group XIII. The other claims are canceled, and will be pursued in one or more related applications.

Claims 18-20 and 24-27 stand rejected over Ogasawara (6,512,919) in view of Yamaguchi (6,438,251).

Ogasawara is understood to disclose an electronic shopping system employing a wireless videophone. The videophone includes a CCD camera system that can capture images of bar codes printed on grocery products (col. 3, line 14).

Ogasawara also notes that his camera device can read bar code information presented on an LCD display (col. 22, line 4). He explains, for example, that grocery stores sometimes have weighing scales that display the weight of merchandise in bar code form on an LCD display (col. 22, lines 20-22). If a customer puts a bag of potatoes on such a weighing scale, Ogasawara's camera system can read the bar code that indicates the weight of the potatoes.

Yamaguchi discloses a system for embedding additional information into an image, in a state of invisibility (col. 2, lines 10-14).

The Action contends that an artisan would have found the arrangement of independent claim 18 obvious in view of Ogasawara's and Yamaguchi's teachings:

The teachings of Ogasawara and Yamaguchi are combinable because they both involve capturing and decoding images to obtain additional information. It would have been obvious to one of ordinary skill in the art at the time the invention was made to have the steganographically encoded graphic of Yamaguchi, displayed, captured, and decoded as taught by Ogasawara. One would have been motivated to do so as it would allow a person to receive or send information to a desired location or party without obvious exposure of personal or financial information (i.e., electronic shopping as disclosed by Ogasawara).

Applicants respectfully submit that this rationale does not establish *prima facie* obviousness.

For example, it is based on the erroneous understanding that Ogasawara's electronic shopping method presents "*personal or financial information*" on a display, and then seeks to avoid exposure of such information.

This is not how Ogasawara works. The graphic taught by Ogasawara that is displayed on an LCD and imaged by his CCD camera, is a bar code. It has no personal/financial information.

As noted above, Ogasawara taught that an LCD-displayed bar code might display the weight of a bag of potatoes or the like (col. 22, lines 19-21). There is nothing personal or confidential about the weight of a bag of potatoes. Thus, an artisan would have no incentive – based on teachings found in these references – to employ Yamaguchi's techniques in combination with Ogasawara's system.

Dependent claims 19 and 20 are rejected similarly, with the rationale:

It would have been obvious to one of ordinary skill in the art at the time the invention was made to have the graphic comprise an image of a person or more specifically an image of a proprietor of the portable device because the device could be used as a form of personal identification, authorization or proof of ownership of the portable device.

It will be recognized that the underlined reasoning does not draw from the prior art, but draws instead from the teaching of applicants' own disclosure. Obviousness is not thereby established.

Independent claim 24 is rejected on the same grounds as claims 18-20, and the rejection thereof is similar traversed.

Independent claim 25, and claims 26-27 dependent thereon, are rejected by reference to the earlier rejections of claims 18-20. As noted above, those rejections are deficient.

Dependent claims 21 and 22 stand rejected over Ogasawara and Yamaguchi, and also Tsukamoto (6,359,837). Tsukamoto is understood to disclose a wristwatch that can display time and graphic indicia.

The Action proposes combining Tsukamoto with Ogasawara and Yamaguchi by the following rationale

It would have been obvious to one of ordinary skill in the art at the time the invention was made to have the graphic displaying device of the combination of Ogasawara and Yamaguchi be a wristwatch as taught by Tsukamoto because a wristwatch is one of the most common accessories worn by people and is securely fastened around a person's wrist thus preventing loss and theft, further protecting information embedded within the graphic.

This loses sight of the fact that Ogasawara – the principle reference – discloses use of his CCD camera system in a shopping context, for reading bar code data from a produce weighing scale. The fact that a wristwatch is a common accessory, and is fastened around a person's wrist, does nothing to explain why an artisan would substitute a wristwatch LCD display for the one taught by Ogasawara. Again, hindsight – rather than a teaching or suggestion of the art – appears to have motivated the proposed combination.

Again, the Action has failed to establish *prima facie* obviousness.

There are other grounds for traversing the pending rejections. However, the foregoing is believed sufficient to show that the existing rejections would not be sustained on appeal.

Reconsideration and passage to issuance are solicited.

Date: May 5, 2005

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Respectfully submitted,

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